12-30-1985

Food Employers Council, Inc. and International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, Locals 63, 542, 572, 630 and 952 (1985)

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Location
Southern CA

Effective Date
12-30-1985

Expiration Date
9-11-1988

Employer
Albertson's, Inc.; Alpha Beta Company; Boy's Market, Inc.; Certified Grocers of California, Ltd.; Grocers Specialty Company; Hughes Markets, Inc.; Ralphs Grocery Company; Safeway Stores, Inc.; Stater Bros. Markets; Vons Grocery Company

Union
International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America

Union Local
63, 542, 572, 630, 952

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FOOD INDUSTRY WAREHOUSE

AGREEMENT

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FOOD INDUSTRY WAREHOUSE

AGREEMENT

Effective December 30, 1985, to

and including September 11, 1988

ARTICLE I BARGAINING UNIT

A. This Agreement, made this_____ day of_____19____, by and between the FOOD EMPLOYERS COUNCIL, INC.'S MEMBERS at the locations set forth in Exhibit "C" and signatory hereto, first party, hereinafter called the Employer, and LOCAL UNIONS set forth in Exhibit "C" chartered by the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, second party, hereinafter referred to as the Union, is in the mutual interest of the Employer and employees. In the spirit of cooperative Management-Union relations, and in recognition that improving the competitive position of the member Employers within the Industry will prove mutually beneficial, the Employer and the Union, in an effort to secure the future of their relationship, do hereby acknowledge and pledge a bond of common interest based on fundamental principles of increased productivity, better quality, faster service and more efficient operations.

B. With regard to Local Union designation, the Employer agrees to abide by the jurisdictional rules and decisions of Teamsters Joint Council No. 42. This provision shall have no effect on the Employer's methods of operation, distribution and work assignment.

C. It is recognized that the different methods of operation by the several companies covered by this Agreement have required, from time to time, the establishment of varying company practices as well as understandings between unions and employers.

Therefore, nothing contained in this Agreement shall prevent an individual Employer and individual Union from continuing or establishing systems, procedures and/or agreements regarding different methods of operations or agreements pertaining to other conditions and/or terms of employment.

ARTICLE II EMPLOYEES COVERED

A. This Agreement shall cover and apply to employees of the Employer employed in jobs classified in the schedule attached hereto at the Employer's place or places of business as listed in Exhibit "C".

B. The Employer hereby recognizes the Union as the sole collective bargaining agent and representative of employees covered by this Agreement.

ARTICLE III UNION SECURITY

A. It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing, and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) calendar day following the effective date of this Agreement, become and thereafter remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31st) calendar day following the beginning of such employment, become and thereafter remain members in good standing in the Union. Good standing shall be defined as timely payment of regular dues and initiation fees, including reinitiation fees, uniformly applied to all members.

B. The Employer shall discharge an employee at the expiration of seven (7) calendar days following receipt of written notice from the Union that the employee has failed to complete or maintain membership in good standing in the Union, unless the employee has corrected the deficiency and the Employer is so notified within the seven (7) days.

The Union hereby agrees to indemnify and hold harmless the Employer for any and all back pay resulting from the Employer's termination of any employee pursuant to the Union's request for such termination.

C. When new or additional employees are needed, the Employer shall notify the Union of the number and classification of employees needed. The Union shall promptly nominate applicants for such jobs. The Company shall choose between any nominees of the Union and any other applicants based upon their respective qualifications. No applicant will

be preferred or discriminated against because of membership or nonmembership in the Union. Nothing in the above shall restrict the Employer in his right to select the applicant who best meets the qualifications for the job to be filled.

D. The Employer agrees to notify the Union promptly of all terminations and hires.

ARTICLE IV MANAGEMENT RIGHTS

All rights of the Employer not specifically limited by the terms of this Agreement are hereby reserved to the Employer. Further, it is understood by the parties that the negotiations resulting in this Agreement provided ample opportunity for all matters to be considered and this Agreement shall not be construed to contain any matter not specifically set forth.

ARTICLE V PLANT MANAGEMENT AND DIRECTION OF PERSONNEL

A. The Employer shall have the right to discharge any employee for good cause, such as dishonesty, incompetency, drinking while on duty, intoxication and failure to perform work as normally required. Willful falsification of a material fact on an application shall be cause for immediate discharge.

B. Except for discharge for dishonesty, intoxication, flagrant insubordination, or flagrant disobedience of posted company rules, an employee shall not be discharged or subject to disciplinary layoff unless he has had one previous warning notice in writing with a copy to the Union for an offense committed within 365 days prior to the date of discharge. Failure by the employee or the Union to protest or grieve on a warning notice at the time of issuance shall not, in itself, constitute an agreement or admission of the validity of the warning notice or the gravity of the alleged offense.

C. In applying the language of Paragraph B above, any questions that may arise with respect to the reasonableness of posted company rules, shall be submitted to a committee of the Food Employers Council, Inc., and the Joint Council of Teamsters No. 42. In the event the parties are unable to agree, the matter shall then proceed in accordance with the terms of Article XXII, Grievance and Arbitration Procedure.

D. It is further agreed that any employee, who shall be discharged, suspended, or laid off shall have the right to secure a review of such discharge, suspension or layoff by making written request to the Employer not later than ten (10) calendar days after such discharge, suspension, or layoff; that promptly after the receipt of such a request, the Employer shall appoint a time for such review, giving notice to such employee and the Union that the time so appointed shall not be more than seven (7) days after the Employer's receipt of such request, and that the Union shall, if it is not satisfied with

the decision of the Employer pursuant to such review, have the right to submit said disputed matter to a Board of Arbitration (hereinafter defined).

E. Should reinstatement be ordered, either by the Employer or the Board of Arbitration, then the employee shall resume his or her former status without prejudice or loss of wage rating.

F. In case an employee has been promoted to a higher classification, and it is found that he cannot perform the new work as required, he may resume his former classification without discrimination.

G. The Employer shall post notices of any promotional job which is vacant so that interested employees may have knowledge of it. Such notice shall be posted in a conspicuous place for at least five (5) days and shall indicate to whom the employee may make his interest in the opening known. Selection to fill such vacancy shall be made by the Employer in accordance with the provisions of Article XV, Seniority. When selection is made, the name of the employee selected shall be posted.

H. The Employer may establish, implement, and/or continue systems of production requirements. The Union shall be notified of such newly established systems of production requirements and the date of implementation. If the newly established and implemented production requirements are deemed to be unreasonable by the Union, that issue may be submitted to the grievance and arbitration provisions of this Agreement within seven (7) days of the date of implementation. Further, in the event an employee is suspended, discharged or issued a written warning notice for failure to meet such production requirements, the discharge, suspension or warning notice may also be submitted to the grievance and arbitration provisions of this Agreement and a determination made if the production requirements, as they pertain to the discharge, suspension, or warning notice, were unreasonable.

ARTICLE VI DONATIONS AND EXAMINATIONS

A. Contributions and donations for all charitable purposes shall be voluntary on the part of the employee.

B. If an Employer requires physical or other examinations including examinations for controlled substances or intoxicants, and/or employee proficiency and/or ability examinations, the Employer shall provide or designate a qualified physician or examiner. The Employer shall bear the cost of any examination required by him to determine proficiency and/or ability.

C. The Employer shall have the right to test (using scientifically acceptable methods) any employee or group of

employees for whom the Employer has reasonable cause to believe that drug or intoxicant use is affecting work performance or safety.

D. Failure to pass any of the above tests shall be deemed sufficient reason to disqualify said person for employment.

E. The individual Company and Local Union shall meet prior to March 1, 1986 for the purpose of agreeing upon guidelines regarding reasonable cause and testing programs for controlled substances and intoxicants. In the event the Company and Union fail to reach agreement the matter will be resolved by arbitration.

ARTICLE VII MAINTENANCE OF MORE FAVORABLE CONDITIONS

A. It is mutually agreed that any and all existing working conditions involving hourly rates of pay, hours (not limiting the rights of the Employer to schedule starting times or shifts), vacations or holidays, now in effect by the Employer which provide more favorable conditions to the employees, shall not by the adoption of this Agreement be made less favorable to the employee during the life of this Agreement, except by negotiations or government decree.

B. It is further agreed by the Union and the Employer that any voluntary benefits which are now in effect, or may in the future be put into effect, other than the above specified, shall only be continued by option of the Employer.

ARTICLE VIII VACATIONS

A. Employees shall be entitled to annual vacation periods as follows: after one (1) year's employment, one (1) week's vacation with pay; after two (2) years' employment, two (2) weeks' vacation with pay; after five (5) years' employment, three (3) weeks' vacation with pay; after fifteen (15) years' employment, four (4) weeks' vacation with pay; and after twenty (20) years' employment, five (5) weeks' vacation with pay.

B. In order to qualify for a full vacation with pay, an employee must work at least forty-five (45) weeks in any such yearly period. Time lost from employment, not to exceed twenty-five (25) working days, due to injury on the job or sickness, shall be considered as time worked for the purpose of determining length of employment, and included in the qualifying forty-five (45) week period mentioned above.

C. Eligibility for vacations shall be computed from the original date of employment of the employee, unless in the interim (as specified in Article XV, Seniority) his continuity of service has been broken, in which case eligibility shall date from time of reemployment.

D. Employees who have been employed by the Company for at least one (1) year and who after one (1) year of employment are absent from work for a period in excess of time limits set forth in this Article, such excessive absences being due to illness, injury, or other absence authorized by the Employer, shall upon their anniversary date of employment be entitled to a pro rata vacation.

Pay for such vacation shall be based on the average weekly earnings for the previous twelve (12) months the employee has worked, but in no event shall any employee receive less than forty (40) hours' pay per week for such vacation. All employees desiring more time for vacation than they are entitled to by the above Paragraph may be granted same within reason without pay.

When an employee is absent for an entire week, such week shall not be counted in calculating average weekly earnings. For example, if an employee is absent without compensation for two (2) weeks in twelve (12) months, his total earnings during that period shall be divided by fifty (50) weeks rather than fifty-two (52) weeks.

E. Provided a holiday occurs, to which an employee is eligible under Article XIII, Holidays, Paragraph A, during an employee's vacation period, said employee shall be given an extra day's vacation or an extra day's pay in lieu thereof, at the option of the Employer.

F. Should an employee quit or be discharged or be laid off after one (1) year's continuous employment, he shall be paid the proportion of the one (1) week's vacation which has accumulated. Should an employee quit or be discharged or be laid off after two (2) years' continuous service, he shall be paid the proportion of the two (2) weeks' vacation which has accumulated. Should an employee quit or be discharged or be laid off after five (5) years' continuous service, he shall be paid the proportion of the three (3) weeks' vacation which has accumulated. Should an employee quit or be discharged or be laid off after accumulating fifteen (15) or more years' continuous service, he shall be paid the proportion of the four (4) weeks' vacation which has accumulated. Should an employee quit or be discharged or be laid off after accumulating twenty (20) or more years' continuous service, he shall be paid the proportion of the five (5) weeks' vacation which has accumulated.

G. All vacation time due shall be taken by the employees unless waived by mutual agreement between the Employer, employee and the Union.

H. Deductions from vacation paychecks for more than one week's pay shall be no greater than if separate weekly checks had been issued.

ARTICLE IX LEAVE OF ABSENCE

A. The Employer may grant a reasonable leave of absence to an employee upon written application. The employee and the union shall be given a written notice of the terms and conditions of any leave of absence granted. Requests for leave of absence shall not be unreasonably denied to any employee who has twelve (12) months or more of continuous service.

B. Any employee who undertakes or continues other work or employment during any leave of absence without first securing permission from the Employer and the Union, automatically cancels such leave of absence and will be considered to have terminated his employment.

C. Failure to return to work in accordance with the terms of a leave of absence shall be a cause for immediate termination.

ARTICLE X SICK LEAVE

A. All employees covered by this Agreement who have been continuously employed by their Employer for the period of at least one (1) year shall be entitled to a total of five (5) days' sick leave with pay per year. Such sick leave pay shall commence on the second (2nd) working day lost for each disability, except that sick leave pay shall commence on the first (1st) working day lost in the event the employee requires immediate hospitalization. If the Employer so desires, he may require reasonable proof of disability. Falsification of sick leave claims or proven abuse of sick leave privileges may be cause for discharge, or disciplinary action.

B. Subject to Paragraph C below, full pay shall mean eight (8) hours' pay at the employee's regular straight-time hourly rate, for those days which the employee would have worked had the disability not occurred, calculated at straight time. The waiting period herein provided before sick leave pay commences, shall apply for each disability in case the sick leave benefit allowance has not been used up in previous disabilities. Absence from work up to thirty (30) calendar days, within the employee's employment year, due to sickness, injury, temporary layoff, or leave of absence, shall be considered as time worked for the purpose of determining eligibility for the full five (5) days of sick leave each employment year. In the event that an employee is absent in excess of the thirty (30) days as set forth above, whatever sick leave the employee is entitled to shall be prorated according to the straight-time hours actually worked.

C. Sick leave pay shall be integrated with Unemployment Compensation Disability benefits and Worker's Compensation temporary disability benefits so that the sum of the daily sick leave allowance hereunder and the aforesaid State disability daily benefits, exclusive of the daily hospital benefits which may be payable to an employee, shall not exceed one hundred

percent (100%) of the employee's regular daily wage at straight time. If the sick leave pay allowable to an employee hereunder when so combined with any such State disability daily benefits received by the employee exceeds one hundred percent (100%) of his regular daily rate at straight time, for any one (1) day, then such sick leave pay for that day shall be reduced accordingly. Any portion of the sick leave pay allowance not received by the employee by reason of any such reduction shall be retained in the employee's sick leave pay account as a part of his accumulated sick leave pay credits.

In order to effectuate the integration with the U.C.D., all sick leave will be broken down from days of sick leave as earned to hours and such sick leave will be used and retained as hours of sick leave.

D. Unused sick leave benefits in any one (1) year shall accumulate from year to year to a maximum of forty-five (45) days. Unused sick leave accumulated in excess of forty-five (45) days shall be paid on the employee's anniversary date up to a maximum of five (5) days based upon his straight-time hourly rate in effect on such anniversary date. In the event an employee is taken ill and/or injured to the extent that he is required to leave work, and in the event that he leaves work before having begun the second half of a daily work shift, he shall be given credit for the day on which he was taken ill or injured as one (1) day of the waiting period to be served before sick leave begins. In the event that such ill or injured employee leaves work because of such injury or illness after having completed more than half of his normal workday shift, such employee shall not be given credit for that day as part of the waiting period and shall be required to serve one (1) full working day as his waiting period before sick leave benefits shall begin.

In the event any of the Employers signatory hereto have had a previous practice on this matter, such previous practice may be continued only by mutual agreement with the Union.

ARTICLE XI JURY DUTY

A. Each day that a regular full-time employee serves on any jury, exclusive of Grand Jury, and when such service deprives such employee of pay that he otherwise would have earned, the Company agrees to pay such employee for those days, the difference between any remuneration that such employee receives for such jury duty and the amount that he would normally be paid for eight (8) hours at his regular straight-time rate. Remuneration for such jury duty service shall be limited to one (1) term of jury duty service during the term of this Agreement.

B. If such employee is excused from jury duty service on a scheduled workday, he shall immediately report for work to complete the remaining hours of his scheduled work shift.

C. Full-time employees who are selected for jury service shall be assigned to a work shift with a starting time identical to the starting time of the jury service, and such shift shall be limited to the day or days of jury service involved.

ARTICLE XII FUNERAL LEAVE

A. Regular full-time employees shall be allowed three (3) days' funeral leave with full pay for a death in the immediate family if such employee was in attendance at the funeral. Immediate family shall be defined as the employee's parents, spouse, children and siblings.

B. In instances where an employee is absent from work, whether on a paid or unpaid basis, there will be no funeral leave paid for deaths which occur during such periods of time.

ARTICLE XIII HOLIDAYS

A. The following holidays shall be observed, for which the Employer agrees to pay any employee with at least thirty (30) days' service with the Employer, for eight (8) hours at the straight-time hourly rate of pay for the classification involved:

New Year's Day
Memorial Day
July 4th
Labor Day
Thanksgiving Day
Christmas Day
Employee's Birthday
Personal Holiday*
Employee's Anniversary Date of Employment*

The holidays specified above shall be observed on the days specified by Federal legislation.

*Effective after January 1, 1986, a personal holiday shall replace Washington's Birthday and the employee's anniversary date of employment shall replace Veteran's Day as contract holidays. No current eligible employee shall suffer a reduction or increase in the number of holidays as a result of this changeover.

B. When the above-mentioned holidays fall on Sunday, the following Monday shall be considered a holiday. There shall be no work required on Labor Day.

The practice of the individual companies and Local Unions signatory to the various agreements involved in these negotiations concerning performance of work on Labor Day will continue during the life of the new successor agreements subject to the operational requirements of the Company.

C. No work shall normally be required on these days and an employee who does not work shall be compensated in an amount equal to eight (8) hours' pay at his regular straight-time hourly rate of pay. If an employee works on any one (1) of the above designated holidays, he shall be paid at the rate of time and one-half (1-1/2) his regular classification rate for all such hours worked, in addition to the eight (8) hours' pay at straight time as described above, provided however, that if an employee who regularly works a shift that begins or ends between 6:00 p.m. and 6:00 a.m., the twenty-cents (20¢) premium rate for the entire shift shall be added to the regular classification rate for all such hours worked in computing the rate of pay.

D. Pay for holidays not worked shall include eight (8) hours' pay at the regular classification rate of the employee, plus eight (8) hours at the night premium rate of twenty cents (20¢) per hour for employees who regularly work between 6:00 p.m. of one day and 6:00 a.m. of the following day.

E. In any workweek in which any of the designated holidays fall, the holiday shall be counted as a day worked for the purpose of computing overtime beyond forty (40) hours in the said workweek. Time worked on a holiday shall not be included as a part of the forty (40) hours referred to in this Paragraph. When a holiday falls on a Saturday, or on an employee's regular day off, and is not worked, it shall be paid for at the straight-time hourly rate of pay for the classification involved.

F. When a holiday falls on a Monday, or on a Sunday, and is observed on Monday, for those employees, part of whose workweek falls on Sunday, the Sunday immediately prior to the holiday shall be observed as the holiday. Such employees shall be paid for that week in the same amount as if Sunday had not been substituted for the holiday.

G. When a holiday is not a part of employee's regular workweek, the Employer may, at his option, designate the work shift preceding the holiday or the work shift succeeding the holiday as the day to be observed in lieu thereof. Thus, where such substitutions are made and no work is performed on the shift that is designated as the holiday, an employee will receive five (5) days' pay

for four (4) days' work and in the case where such substitution is not made, the employee will receive six (6) days' pay for five (5) days' work, both examples exclusive of overtime.

When such substitution is made, the shift that is designated by the Employer as the holiday shall apply to all such employees covered by the Agreement but the Employer may designate which employees, if any, will be required to work on any day of the holiday week. When such substitution is made, the Employer shall notify the employees of the substitution no later than one (1) week prior to the beginning of the holiday week.

In order to be entitled to holiday pay, an employee must work his scheduled workday immediately preceding and immediately following the holiday except for excusable absences such as illness, injury or leave of absence. An employee absent from work due to illness or injury shall be entitled to holiday pay for any holidays that occur during the first thirty (30) calendar days of such absence.

H. In the case of Memorial Day, the Company may substitute either the first or the last shift of the holiday week for such holiday. If the Company exercises this option, the substitution shall apply to all employees covered by this Agreement. When such option is exercised and the substitution made, the Employer shall notify the employees of the substitution no later than the beginning of the first shift in the workweek prior to the beginning of the holiday week. Existing practices and mutual agreements between the Employer and the Union covering the application of Paragraph L of this Article shall continue for the duration of this Agreement. If, through Federal legislation, Thanksgiving Day or Independence Day holidays are changed, the day established by such action shall be the holiday.

I. Birthday Holiday. Each employee shall notify his employer of the date of his birthday at least two (2) weeks prior to his birthday. The holiday shall be granted either on the employee's birthday or, by mutual agreement between the Employer and the employee, on any other date in the week during, following or prior to the week in which the employee's birthday falls. If the employee's birthday falls on another holiday specified in this Agreement, he shall be granted an additional holiday and, if the employee's birthday falls on February 29, his birthday shall be considered as falling on February 28.

J. Anniversary Date Holiday. Each eligible employee shall notify his employer of his anniversary date at least two (2) weeks prior to his anniversary date. The holiday

shall be granted either on the employee's anniversary date or, by mutual agreement between the Employer and the employee on any other date in the week during, following or prior to the week in which the employee's anniversary date falls. If the employee's anniversary date falls on another holiday specified in this Agreement, he shall be granted an additional holiday and, if the employee's anniversary date falls on February 29, his anniversary date shall be considered as falling on February 28.

K. Personal Holiday. The annual personal holiday shall be observed by employees who have completed one (1) or more years of continuous employment.

Each eligible employee may choose a day of his preference for his personal holiday by giving the Employer at least 15 calendar days written notice prior to the day chosen. The Employer will grant the employee the day of his choice as his personal holiday, unless an excessive number of employees have chosen the same day and granting all the requests would affect the Employer's operation. In that event, the Employer may deny the request for the day chosen and the employee may request an alternate date.

Neither the anniversary date or personal holidays may be celebrated in the same week as another contract holiday except by mutual agreement between the Employer and the employee.

L. In those instances when a regular night shift continues from one (1) calendar day into the next calendar day, an employee assigned to such shift will work a portion of two (2) shifts within a twenty-four (24) hour period of a holiday. On such occasions, the holiday shall not be considered a twenty-four hour period, but shall be considered as one (1) work shift. The work shift to be observed as the holiday in such instance, shall be the shift that begins on the actual holiday, unless another shift is mutually agreed upon between the Employer and the Union.

M. Work schedules shall not be changed to avoid the payment of holiday pay.

ARTICLE XIV BULLETIN BOARD AND UNION VISITS

A. The Employer shall provide a bulletin board which shall be used exclusively for authorized union notices, but same shall not be posted until they have been first called to the attention of the Employer. All such union notices shall be authorized and signed by the Secretary/Treasurer of the Local Union or by his designee who shall be a full-time representative of the Local Union involved.

B. It is mutually agreed that there will be no interference by the Union with the work of any employee covered by this Agreement during the regular working hours of said

employee, except that the Employer agrees to grant to any official representative of the Union access to the plant to discuss any grievance or problem arising under the terms of this Agreement with any employee during working hours, after first having been notified by said representative of such desire.

ARTICLE XV SENIORITY

A. Seniority means length of continuous service without break. Any break (as hereinafter defined) in continuity will cancel seniority theretofore accrued, and seniority can be acquired after such break only by reemployment, in which case seniority will date from such reemployment. Break in continuity of service, with resulting cancellation of seniority, will result from any of the following:

1. Discharge;

2. Resignation or other termination of service by voluntary act of employee;

3. Continued absence of six (6) months or more from work by involuntary act of employee for causes other than illness, injury, or leave of absence, i.e., layoff by the Employer (example: an employee with one (1) year's service who is laid off for a period of five (5) months and twenty-nine (29) days, if he is rehired to the job on the last day of the six-month period, shall not forfeit his accrued seniority of one (1) year. He thus returns to the job with one (1) year's seniority. Should the same employee not have returned to the job until after the six (6) months had elapsed, he shall, in respect to seniority, be considered a new employee);

4. Absence without good cause;

5. In the case of an employee with less than one (1) year's service with the Company, any absence of more than six (6) months due to illness or injury.

No employee with one (1) year or more of continuous service with the Employer shall retain seniority for any medical leave of absence for illness or injury in excess of eighteen (18) months of continuous disability.

B. Employees shall be required to give one (1) week's notice to the Employer before voluntarily terminating their services. The Union agrees to make every effort to secure employee compliance with this provision. Employees who have been employed by the Company one (1) or more years and who are laid off because of lack of work and/or a reduction in the work

force, shall be entitled to one (1) week's notice of such termination of employment, such notice to be given no later than the first (1st) half of the first (1st) shift of the employee's last workweek. It is expressly understood that employees who are discharged for cause or who voluntarily quit, shall not be entitled to such termination notice.

C. Seniority will not, however, be established until after the employee has been in the service of the Employer thirty (30) workdays. As soon as seniority is established, same shall date from the original date of employment.

D. Seniority shall prevail in demotions occurring as a result of reductions in the work force, layoffs, and rehiring, provided the senior employee can perform the work required. Seniority shall prevail in promotions, qualifications and ability to perform work as required being equal. Seniority shall prevail in choice of vacations.

E. In the case of rehires, the Employer agrees to notify by telegram to the last known address of the laid-off employee who, in accordance with this Article is eligible to fill the job vacancy. A copy of the telegram shall be sent to the Union. The Employer may fill the vacancy on a temporary basis pending the return of such employee. If the employee fails to report for work within ninety-six (96) hours of the date of the telegram, the vacancy may be filled in accordance with the terms of Article III, and the Employer's obligation to the employee shall cease, except if failure to report is due to employee's proven physical incapacity.

F. Other than discharges, suspensions, and/or layoffs, if the employee feels any discrimination prevails under this Article, a report must be made to the Union within ten (10) calendar days from the date that the alleged discrimination first occurs, and to the Employer in writing within five (5) days thereafter, or such claim will not be recognized.

G. It is agreed that within non-promotional job classifications there are preferential jobs. Preferential jobs shall be limited to day work over night-work, repack department, salvage department, receiving trainmen and receiving clerks. When vacancies occur in preferential jobs within these categories, ability and qualifications being equal, seniority shall be a key factor in recognizing such preference.

It is agreed that this Section shall not apply to any job vacancy of less than twenty-five (25) working days' duration. Nothing herein contained shall prevent the Employer and the Union from establishing a mutually satisfactory system regarding this subject.

Employer shall not impose restrictions on the operation of this Section in order to circumvent its intent, and in applying this Section the Union shall give due consideration to the Employer's necessity to operate the warehouse with reasonable efficiency.

ARTICLE XVI WORK PERIODS

A. Forty (40) hours shall constitute a normal week's work to be worked in five (5) consecutive days.

B. A regular employee shall be guaranteed at least forty (40) hours' work per week or pay in lieu thereof, provided he is available and able to work the required work schedule. The forty (40) hour guarantee shall not apply to the week in which employees report to work after the beginning of the workweek in which they are newly hired, or return from leave of absence, or are recalled from layoff status of more than two (2) weeks.

C. Eight (8) hours shall constitute a day's work to be worked continuously except for a lunch period which shall not exceed one (1) hour. A second meal period shall be provided in the event over two (2) hours' overtime work is required, unless a majority of employees agree to forego the meal period.

D. The Employer may schedule (after obtaining the approval of a majority of the employees so scheduled) and/or continue a basic straight-time workweek of four (4) ten hour days for any regular full-time employees, in accordance with the following provided, however, that in Warehouse operations with existing incentive programs or prior to instituting any new incentive program, any new four ten-hour day workweek shall require mutual agreement between the parties.

1. Ten hours shall constitute a day's work, and shall be completed within ten and one-half (10-1/2) hours.

2. Ten hours' work per day shall be offered such employee. When an employee requests to work less than ten (10) hours per day, he shall be paid at his regular hourly rate for the time actually worked.

3. All such employees shall receive at least two consecutive days off each calendar week.

4. When a holiday falls on an employee's regular scheduled day of work, and he is not required to work on that day, and his regular scheduled workweek consists of four (4) ten-hour days, he shall be paid as holiday pay, ten (10) hours pay on that day and that shall be considered as ten (10) hours worked for the purpose of computing overtime in that workweek.

5. When a holiday falls on an employee's regular scheduled day of work and the employee works on that day, he shall be paid as holiday pay, eight (8) hours' pay for that day and shall be paid in addition, at the contract rate of pay for the number of hours that he actually works.

6. When a holiday falls on a day other than an employee's regularly scheduled day of work, and he does not work, he shall receive as holiday pay eight (8) hours.

7. In the event a holiday falls on a day other than an employee's regularly scheduled day of work, and the employee is required to work, he shall be paid time and one-half for working that day plus holiday pay of eight (8) hours.

8. All time worked in excess of ten (10) hours in any one day or forty (40) hours in any workweek shall be paid at time and one-half (1-1/2) the regular straight-time hourly rate of pay unless otherwise specified in the individual agreements.

E. An extra employee shall receive a minimum of four (4) hours' work or four (4) hours' pay in lieu thereof, and a regular employee shall receive a minimum of eight (8) hours' work or eight (8) hours' pay in lieu thereof per day, provided such employee is available and able to work the required work schedule, except on the sixth (6th) or seventh (7th) day worked when guarantee shall be four (4) hours at the appropriate rate.

F. There shall be no reduction or elimination of rest period practices in the individual companies, as such practices existed on the effective date of this Agreement, provided that there shall be a rest period allowed in each half of the employee's regular work shift.

G. In the event operations cannot commence or continue when so recommended by civil authorities; or public utilities fail to supply electricity, water or gas, or there is a failure in the public utilities, sewer system; or the interruption of work is cause by an Act of God, the foregoing guarantees shall not be applicable.

ARTICLE XVII OVERTIME AND PREMIUM RATES

A. Overtime shall be paid all male and female employees who work in excess of eight (8) hours in any one (1) day. It shall also be paid to all male and female employees who work on the sixth (6th) and/or seventh (7th) days of any one (1) week, after accumulating a five (5) day week at the rate of time and one-half (1-1/2) the regular rate of pay. Overtime work beyond two (2) hours on any given shift, exclusive of the lunch hour, shall be compensated for at the rate of double time.

B. In case an employee is voluntarily absent a day or part of a day during the week due to causes beyond his control, employee may work on the sixth (6th) or seventh (7th) day to make up the forty (40) hour week without overtime, if mutually agreeable to Employer and employee.

C. Subject to the Employer's work force requirements, an employee will be excused from overtime work for reasonable excuse, provided he has requested such excuse by the start of the shift on the day in question. If the employee is not excused, the Employer will notify him of that fact prior to the lunch hour. In any event, an employee shall be excused from overtime work without such notice for compelling reason, such as illness in the family or other unforeseen emergency. The phrase "work force requirements" shall not be used in a capricious manner in order to evade the intent of this Article. Nothing herein contained shall prevent the Employer from establishing or continuing a mutually satisfactory system regarding this subject.

In addition, a voluntary overtime system shall be established by the Employer as follows:

One month following ratification of this Agreement and annually thereafter, regular employees shall be given the opportunity to elect whether they wish to decline overtime work after eight (8) hours or the sixth (6th) or seventh (7th) day for the succeeding twelve-month period. If an employee elects to decline to work overtime, he will not be offered nor can he claim, overtime work during the succeeding twelve-month period, subject, however, to the limitation that no more than 25% of the employees of the Employer in each classification and on each shift and in each department where separate seniority has historically been established may make such an election. If more than 25% wish to make such an election, selection will be made by seniority. The election to decline overtime work shall not be effective during any week in which this Agreement provides for a paid holiday.

If, as a result of the above, the Employer's work force requirements at any time are such that additional employees are needed to work overtime, the Employer shall be entitled to employ part-time employees to perform the work. Such part-time employees shall not be considered as regular employees under this Agreement and no guarantee of minimum hours shall apply to them.

Nothing herein contained shall prevent the Employer from establishing or continuing a mutually satisfactory system regarding this subject.

D. There shall be no pyramiding of overtime, or pyramiding or combination of two or more methods or types of pay for the same daily or weekly hours except that

straight-time hourly wages shall be increased by the appropriate shift premium amount applicable to the premium hours worked. If employee's regular schedule includes shift-premium hours, his regular hourly rate of pay for overtime purposes shall include the shift premium. If an employee's regular hours of work do not include shift premium, overtime will be computed on the straight-time rate of pay only.

E. A premium of twenty cents (20¢) per hour shall be paid for the entire eight (8) hour shift to all employees whose regular eight (8) hour shift begins or ends between the hours of 6:00 p.m. and 6:00 a.m.

F. Time and one-half (1-1/2) the straight-time hourly rate of pay shall be paid for all work performed between the hours of 12:00 midnight on Saturday and 12:00 midnight on Sunday.

G. The Sunday premium hourly amounts of pay in effect on September 8, 1985 shall remain frozen without increase for the term of this Agreement. Employees in percentage brackets will receive the appropriate percentage of the frozen Sunday experienced amounts of pay for the classification of employment in which they are employed during the term of this Agreement.

In those instances where Sunday premium provisions and overtime provisions of the Agreement coincide or overlap, they shall be compounded and two and one-quarter (2-1/4) times the straight-time hourly rate of pay shall be paid.

ARTICLE XVIII WAGE SCALE AND JOB CLASSIFICATIONS

A. Attached hereto and recognized as a part of this Agreement is a schedule of wage scales and classifications marked Exhibits "A" and "B", which shall be the minimum standard of wage scales for the enumerated classifications.

B. All employees covered by this Agreement shall be covered by the provisions for a cost-of-living allowance, as set forth in this Paragraph. The current cost-of-living provision shall become and remain a part of the new Agreement provided, however, it shall be understood and agreed that the Employer shall not be obligated or required to make any adjustments or give any effect to said provisions during the term of this Agreement.

1. Using the July, 1982, Los Angeles Consumer Price Index for Urban Wage Earners and Clerical Workers, Revised Series (1967=100) as a base, determine the cost-of-living adjustment, effective March 7, 1983, on the basis of one cent (1¢) for each full .45 points that the January, 1983, Index exceeds 3.0 points over the base Index of July, 1982, and effective September 5, 1983, determine the cost-of-living adjustment,

based upon the Index of July, 1983, in the same manner, less the 3.0 point corridor and any cost-of-living adjustment received on March 7, 1983.

2. Using the Los Angeles Index for July, 1983, as the second-year base, determine the cost-of-living adjustment, effective March 5, 1984, and on September 3, 1984, in the same manner as set forth in (1) above, to the extent that the January, 1984, Index exceeds 3.0 points over the July, 1983, base Index, and the July, 1984 Index exceeds 3.0 points over the July, 1983, base Index, less any cost-of-living adjustment received on March 5, 1984.

3. Using the Los Angeles Index for July, 1984, as the third-year base, determine the cost-of-living adjustment, effective March 4, 1985, in the same manner as set forth in (1) above, to the extent that the January, 1985, Index exceeds 3.0 points over the July, 1984, base Index.

4. Each of the above adjustments will be no less than fifteen cents (15¢) per hour, guaranteed.

C. An employee shall be classified according to the responsibility involved, time expended and the character of the work done.

D. If necessary to determine the classification of employees, the Employer shall meet with a committee of the Union to effectuate same. Provided any employee's classification cannot be agreed upon, either the Employer or the Union shall have the right to submit said disputed matter to an Arbitration Board (hereinafter defined). Both parties agree to abide by the decision handed down in such matter by such Board.

E. Any new classification of work and wage rate therefor shall be determined by mutual agreement between the Employer and the Union. In the event the parties fail to agree on new classifications or wage rates such determination shall be subject to the arbitration provisions of this Agreement.

F. Cost of Living Protection

1. Employees on the payroll of the Employer as of October 31, 1985 shall be eligible for a cost-of-living protection payment in September, 1986 and September, 1987 if they meet the following criteria:

   a. The employee was hired by the Employer on or before October 31, 1985 and continues to work for the Employer without a break in seniority as set forth in Article XV, Seniority.

   b. The employee, as set forth above, continues on the payroll of the Employer through the ending date of the measuring period and has actually worked for the Employer continuously during that period.

   c. The measuring periods shall be as follows:

      1) March 3, 1986 through August 31, 1986

      2) September 1, 1986 through August 30, 1987

2. Effective in September, 1986, a five hundred dollar ($500) gross cost-of-living protection payment will be paid to eligible employees of record as of August 31, 1986, who, during the immediately preceding twenty-six (26) weeks have worked and/or been compensated by the Employer for a minimum of one thousand forty (1040) straight-time hours (maximum forty hours per week times twenty-six weeks). Employees who have worked or been compensated by the Employer for less than one thousand forty (1040) straight-time hours shall receive pro-rata payment based on a ratio of straight-time hours worked (maximum forty hours per week) and/or compensated by the Employer to 1040 hours.

3. Effective in September, 1987, a one thousand dollar ($1,000) gross cost-of-living protection payment will be paid to eligible employees of record as of August 30, 1987, who, during the immediately preceding fifty-two (52) weeks have worked and/or been compensated by the Employer for a minimum of two thousand eighty (2080) straight-time hours (maximum forty hours per week times fifty-two weeks). Employees who have worked or been compensated by the Employer for less than two thousand eighty (2080) straight-time hours shall receive pro-rata payment based on a ratio of straight-time hours worked (maximum forty hours per week) and/or compensated by the Employer to 2080 hours.

4. Cost-of-living protection payments shall be payable on or before the fourth (4th) week following the conclusion of the measuring period. In no event shall any cost-of-living protection payment exceed the maximum amount set forth above.

5. The cost-of-living protection payments shall not become part of any contractual hourly wage rates set forth in this Agreement. It is further understood that no benefit contributions (health and welfare, pension, etc.) shall be payable or due upon the aforesaid payments and no other payment or benefit provided hereunder such as, but not limited to, overtime pay, vacation pay, holiday pay, jury duty, sick leave or funeral pay shall be made, increased or changed by reason of the cost-of-living protection payments provided for herein.

ARTICLE XIX EMPLOYEE DEFINITION - PROBATIONARY PERIOD

A. A regular employee shall be one who has at least thirty (30) days' continuous service with the Employer.

B. An extra employee shall be one who has less than thirty (30) days' continuous service with the Employer.

C. The first thirty (30) workdays of any employee's employment shall be probationary, but no employee shall be laid off during such probationary period to avoid his classification as a regular employee.

During the probationary period, an employee may be terminated for any reason and shall have no recourse concerning such termination to the grievance and arbitration procedures set forth in this Agreement.

ARTICLE XX PART-TIME EMPLOYEES

A. The Employer shall have the right to institute part-time programs. Any new part-time program shall be subject to mutual agreement with the Union. Failing such agreement with the Union, the Employer may submit the matter to binding arbitration before an Arbitrator to be selected according to the provisions of this Agreement. The Arbitrator shall have jurisdiction to determine the number of part-time employees and their conditions of employment.

B. Notwithstanding anything to the contrary that may be contained in this Agreement, the Seniority, Hours and Overtime, Work Periods, Employee Definition, Holidays, Vacations and Sick Leave provisions of this Agreement shall not be construed nor applied in any way to prevent or limit the institution, content or nature of any part-time program.

C. Any such new program shall not be put into effect until either the mutual agreement of the Union is obtained or the Arbitrator's decision is rendered, as the case may be; provided, however, that the institution of such new program shall not be delayed by the process of negotiation and/or arbitration for more than ninety (90) days after written notification by the Employer to the Union of its intention to so institute such part-time program.

ARTICLE XXI WAGE-RATES BASED ON PRIOR EXPERIENCE AND EXTRA EMPLOYEES

A. Prior experience acquired by an employee in warehouse work performed for any other firm covered by this Agreement shall be credited to said employee in determining his wage rating in Classifications V and VI under Exhibit "A". Said rating however, need not be established by the Employer until after employee has worked thirty (30) days with said Employer.

B. Extra employees who have three (3) months' experience or more in the wholesale grocery industry in Southern California, shall be paid the experienced rate for warehousemen, (Class V). Where such extra employees have had less than three (3) months' experience in the wholesale grocery industry in Southern California, they shall be paid at the beginner's rate in Class V, subject to the appropriate progressive increase as provided in Exhibit A.

ARTICLE XXII GRIEVANCE AND ARBITRATION PROCEDURE

A. Should any controversy, dispute, or disagreement arise during the period of this Agreement, out of the interpretation or application of the provisions of this Agreement there shall be no form of economic activity by either party against the other because of such controversy, dispute or disagreement, but the differences shall be adjusted as follows.

B. The employee shall first attempt to resolve the issue with his immediate supervisor, or other representative designated by the Employer, requesting the cooperation of the Union Steward if he so desires. If called upon at this step of the grievance procedure, a Union representative and supervisor designated by the Company may also attempt settlement, in keeping with Article XIV, Union Visits, of this Agreement.

C. If the issue is still unresolved under Paragraph B above, upon receipt of a timely written notice from either party setting forth the nature of the dispute, designated representatives of the Employer and the Union shall, within a calendar week from receipt of such timely written notice, attempt to reach a settlement.

D. Adjustment Board - Discharges and Suspensions Only. If any dispute involving discharge or suspension is not resolved under Paragraph B and C of this Article, either party may, no later than seven (7) days from the time the employee files a timely written protest with the Employer in accordance with Article V, Plant Management and Direction of Personnel, submit the matter, in writing, to an Adjustment Board.

Such Adjustment Board shall be composed of two representatives of the Union to be appointed by Joint Council of Teamsters No. 42 and two representatives of the Employer to be appointed by the Food Employers Council, Inc. Neither the Union nor the Employer involved in the dispute shall have a representative on the Adjustment Board. The Union representatives shall be two persons, one each from two Local Unions other than the Local Union involved in the dispute and shall be persons who are regularly engaged in the negotiation and/or administration of Teamster-food industry collective bargaining agreements. The Company representatives on the Adjustment Board shall be two persons, one each from two companies in the wholesale grocery bargaining unit and shall be persons who are regularly engaged in the negotiation and/or administration of Teamster-food industry collective bargaining agreements.

Meetings of the Adjustment Board shall be called by Joint Council No. 42 and the Food Employers Council, Inc.; the Adjustment Board shall make its decision known to the parties no later than the first working day following the conclusion of its meeting. The decision of a majority of the Adjustment Board upon the question in dispute shall be final and binding upon the parties hereto, provided that the Board shall not have the authority to change, alter, or modify any of the terms or provisions of this Agreement. Meetings of the Adjustment Board shall be called to hear disputes involving discharge and suspension only and the following shall apply:

1) The four-man panels (two Employer/two Union) will be convened by mutual agreement between Joint Council of Teamsters No. 42 and the Food Employers Council, Inc.

2) Any and all timely grievances involving discharges or suspension only may be submitted to the meetings of the four-man Board of Adjustment. Such demands to submit a dispute to the Board of Adjustment must be in writing with a copy to the opposing party. Either the Employer or the Union may decide unilaterally to not submit any individual dispute to the four-man Board of Adjustment and proceed accordingly to arbitration as provided in Paragraphs E or F below.

3) Disputes which are deadlocked before the Board of Adjustment or disputes which either party unilaterally decides to submit directly to an arbitrator (bypassing the Board of Adjustment) as provided in Paragraphs E or F below, will be heard by an agreed-upon arbitrator no later than thirty (30) days following the date of deadlock or the date of written notice to bypass the Board of Adjustment. Such thirty (30) days may be extended only by mutual agreement or action of the arbitrator.

4) Should either the Employer or the Local Union party to any given dispute unilaterally elect to bypass the Board of Adjustment and proceed directly to an arbitration hearing before an arbitrator as provided in Paragraphs E or F below, the following procedure shall apply:

a) The party making such election must advise the other party.

b) The unilateral election to bypass the Board of Adjustment must be confirmed in writing to the opposing party.

If a majority decision is not reached by the Adjustment Board, the issue and all stipulated facts shall, the following day or later by mutual agreement, be submitted in writing to an impartial arbitrator selected in accordance with a mutually agreed upon procedure for hearing and decision. Except as set forth below, the arbitrator shall render his decision in writing to the parties within seven (7) days following the close of the hearing. However, the arbitrator may require a transcript of the proceedings and may require written briefs within a 30-day period following the close of the arbitration hearing. In the event that a transcript and/or briefs are required by the arbitrator, the arbitrator's decision shall be rendered in writing to the parties no later than fifteen (15) days following receipt by the arbitrator of both documents.

Failure to receive either the transcript or the briefs within the time limits specified above shall in no way delay the arbitrator's decision and such decision shall be rendered within the time limits set forth above, regardless of the time of receipt by the arbitrator of the transcript and/or the briefs.

E. Expedited Arbitration - All Issues. If the matter is not settled within two (2) calendar weeks from the receipt of the written notice described in Paragraph C, above, the grieving party shall promptly submit the question in dispute in writing to expedited arbitration. The Employer shall notify the Union of the office and address to which all such demands for arbitration are to be sent.

The expedited arbitrator shall decide the issue at the next succeeding regular monthly arbitration meeting as set forth below unless either party notifies the other of its intent to pursue the matter in regular arbitration as set forth in F below.

The arbitration hearings shall be held on the last Wednesday of each month, and on the day thereafter and, in addition, additional meetings may be scheduled as necessary and mutually agreed upon.

Unless otherwise mutually agreed, the expedited arbitrator shall be mutually selected from the permanent list of fifteen (15) arbitrators or by alternately deleting names from the list until a last name remains, the parties drawing lots to determine who shall be entitled to the first deletion.

The panel of fifteen (15) permanent Arbitrators for the term of the Agreement shall be Howard S. Block, Melvin R. Darrow, Joseph F. Gentile, Robert G. Meiners, Harold M. Somers, Wayne Estes, William Rule, Henry Wilmoth, Thomas Christopher, Walter Kaufman, Donald Anderson, John Taylor, Edna Francis, Charles Steese and Edgar Jones.*

*The parties will inquire of the arbitrators as to their availability to hear matters in accordance with the provisions of Section E of this Article. If an arbitrator is not available in accordance with these provisions, the parties will mutually agree upon an alternate replacement or replace such arbitrator from a list of arbitrators provided by the Federal Mediation and Conciliation Service.

The expedited arbitrator selected in accordance with the above procedure shall serve for a period of three (3) months. At the end of this three-month period or succeeding three-month periods, at the election of either party, a new expedited arbitrator may be selected by again striking names from the permanent list of fifteen (15) arbitrators as described above.

The expenses of all mutual facilities and services except the fee of the expedited arbitrator shall be borne equally by the Employer and the Union.

The expedited arbitrator shall render a decision within forty-eight (48) hours of the conclusion of the hearing, exclusive of weekends and holidays, on each case in dispute, accompanied by a written award. The expedited arbitrator's fees shall be borne by the loser. Should a dispute arise as to who, in fact, is the losing party in any given arbitration and the arbitrator is called upon to make a determination as to who, in fact, is the losing party, his additional fees, if any, for making such final determination shall be paid by the losing party. Further, the arbitrator may order a splitting of the fees in cases where he cannot make a decision as to who, in

fact, is the losing party. In the event there is more than one (1) case in dispute before the expedited arbitrator on any one day, the fee of the expedited arbitrator shall be pro-rated and charged equally in each dispute for which a decision is rendered.

F. Regular Arbitration - All Issues. The procedures set forth in E above, may also be unilaterally by-passed by either the Union or the Employer. Either party may elect to have a grievance decided through the regular arbitration procedure by notifying the other party in writing of its election.

The regular arbitrator shall be selected by alternately striking names of the arbitrators listed in Paragraph E above or, by mutual agreement, the parties may select an arbitrator by an alternate method.

All such disputes shall be heard before a regular arbitrator no later than forty-five (45) days following a demand by either party to submit any given dispute to arbitration. Such forty-five (45) day time limit may be extended by mutual agreement between the parties to any individual dispute or by action of the arbitrator. Further, the arbitrator shall be directed to render a decision no later than fifteen (15) days following the receipt of briefs and, in cases where no brief is filed, fifteen (15) days from the close of hearing.

The regular arbitrator's fees shall be borne by the loser. Should a dispute arise as to who, in fact, is the losing party in any given arbitration and the arbitrator is called upon to make a determination as to who, in fact, is the losing party, his additional fees, if any, for making such final determination shall be paid by the losing party. Further, the arbitrator may order a splitting of the fees in cases where he cannot make a decision as to who, in fact, is the losing party.

G. Failure to comply with the time limits set forth in the Agreement shall render any grievance null and void.

H. It shall be the responsibility of the employee to report any claimed discrepancy to the Employer and the Union promptly upon discovery. In any event, so long as this does not conflict with any other Article in this Agreement, all complaints must be filed in writing within thirty (30) days after the incident in dispute or disagreement occurs. Complaints not filed within the limits herein specified shall be deemed null and void.

Any claims for compensation shall be limited to a maximum of six (6) months' retroactivity from the date on which a timely claim is filed.

I. The decision of the arbitrator upon the question in dispute shall be final and binding upon the parties hereto, provided that the arbitrator shall not have the authority to change, alter, or modify any of the terms or provisions of this Agreement.

J. Nothing contained herein shall prevent an individual Union and individual Employer from agreeing to an alternate method of processing grievances or arbitrations.

ARTICLE XXIII SUCCESSORS AND ASSIGNS

A. In the event of a sale, consolidation, merger, assignment or transfer of majority control or of the business or any part thereof or any other change of ownership of the business of the Employer, the purchaser, assignee or transferee shall be bound by this Agreement.

B. It is the intent of the parties that the Employer shall notify any potential purchaser, assignee or transferee of the foregoing provision relative to the purchase, etc., of the business of the Employer.

ARTICLE XXIV SUBCONTRACTING OF WORK

A. It is the intent of the parties to this Agreement that the wages, hours, working conditions and fringe benefits embodied herein, which have been arrived at through the years of collective bargaining shall be preserved and maintained. It is also the intent of the parties that work presently being performed by employees covered by this Agreement will continue to be performed by employees within the bargaining unit covered by this Agreement. In this regard, practices in the industry utilized prior to September 8, 1985, that are not otherwise in conflict with this Agreement may continue without interference or restraint including the Employer's right to discontinue any job, department or operation. Also, it is recognized that the Employer may utilize any company distribution center to service and supply any stores. It is also recognized that the institution of a piggyback program shall not directly result in the layoff of employees covered by this Agreement. In addition, nothing herein shall prevent individual arrangements mutually agreed upon by the Local Union involved and the Employer.

B. All loading or unloading of trucks shall be done by employees within the bargaining unit agreed upon and defined in this Agreement. In this regard and except as provided below, practices in the industry that were in effect on September 8, 1985 may continue without restraint or interference.

C. In exception to Paragraph B above, the following is provided:

1. At the Employer's warehouse, trucks other than those owned or operated by the Employer, may be unloaded by the driver and/or his helper; and merchandise from such trucks may be deposited by them at a designated place on the Employer's receiving dock but may not be placed in storage.

2. It is the intent of (1) above that in order to avoid interference with dock traffic, and to facilitate unloading, such merchandise will be moved only as far as is necessary for this purpose it being expressly understood and agreed that such drivers and/or helpers shall perform no storage or distribution functions involving such merchandise.

3. In performing the functions provided in this Paragraph C, such driver and/or helper shall not operate stacking machines on the dock.

ARTICLE XXV HEALTH AND WELFARE

A. The parties hereto agree to continue, for the duration of this collective bargaining agreement, the existing Trust administered by an equal number of Trustees, appointed by the Union on one hand and by the Food Employers Council, Inc., for all Employers hereunder on the other hand, which Trust shall be known as the Teamsters and Food Employers Security Trust Fund, for the purpose of providing the benefits specified herein to regular, full-time employees and their eligible dependents. The parties further agree to amend the existing "Agreement and Declaration of Trust Providing for Teamsters' Food Industry Security Fund" in the manner and extent required to accomplish the provisions of this collective bargaining agreement.

For the purpose of this Article a regular, full-time employee is defined as a full-time employee who is on the payroll on the first (1st) day of the month and who has completed at least thirty (30) calendar days of continuous employment.

B. Death Benefits and Medical and Hospital Benefits - The Trustees are authorized and directed to continue the existing death benefits for eligible employees and medical and hospital benefits for eligible employees and their eligible dependents.

The Trustees are authorized and directed to continue and expand the alternate choice medical and hospital group program.

Eligible employees will be given an opportunity once each year to choose between the Prepaid Plans, the Indemnity Plan, or other Alternate Health Plans. New employees will be given an opportunity to choose among the Alternate Plans on the date they first become eligible for benefits.

C. Dental Care - The Trustees are authorized and directed to continue the existing indemnity dental plan for eligible employees and their dependents.

The Trustees shall adopt a schedule of fees to be paid to dentists for services rendered to patients covered by the indemnity plan. The fee schedule shall be such that the plan will pay for each dental procedure 75% of the reasonable charges made by the dentist. "Reasonable charges" for each procedure shall mean the average of charges made for the procedure by all dentists filing claims with the Trust Fund in the period immediately preceding the date the fee schedule is reviewed. The Trustees shall cause the fee schedule to be reviewed annually and shall have such schedule revised to reflect any changes in the reasonable fees as defined above.

In addition to the indemnity dental plan, the Trustees are directed to establish an alternate dental plan or plans, including the use of dental clinics to provide the care.

D. Prescription Benefit - The Trustees are authorized and directed to continue the existing plan of prescription benefits for eligible employees and their dependents.

E. Vision Care Benefits - The Trustees are authorized and directed to continue the existing plan of vision care benefits for eligible employees and their dependents.

F. Retirees Medical and Hospital Benefits and Prescription Benefits - The Trustees are authorized and directed to continue the existing retiree medical, hospital and prescription care benefits for employees who (1) retire subsequent to September 4, 1961 and (2) who immediately prior to their retirement were employed at least five (5) years in the Food Industry and (3) which employee was an eligible for active health and welfare benefits under this plan by reason of a contribution for active health and welfare benefits under this plan for at least one (1) month during the twelve (12) months immediately preceding the employee's retirement date. Retirement shall be as defined in the Western Conference of Teamsters Pension Plan or any other retirement plan approved by the Board of Trustees of the Teamsters and Food Employers Security Trust Fund. The benefits provided shall apply to eligible retirees, their spouses and dependents. The benefits shall be integrated to the fullest possible extent with any existing or future governmental programs which provide medical and/or hospital care for retirees.

G. Contributions - All costs of the programs set forth in Sections B, C, D, E and F above, including administration, shall be borne by the contributions set forth in this Section.

Notwithstanding anything contained herein to the contrary, each Employer will contribute $319.41 per month for each regular, full-time employee to the Trust Fund up to and including October 31, 1985.

Commencing January 1, 1986, each Employer will increase the monthly contribution from $319.41 to $354.01 or an additional $34.60 per month to the Trust Fund for each regular, full-time employee.

Effective January 1, 1987, each Employer will increase the monthly contribution from $354.01 to $388.61 or an additional $34.60 per month, for each regular, full-time employee.

Effective January 1, 1988, each Employer will increase the monthly contribution from $388.61 to $405.91 or an additional $17.30 per month, for each regular, full-time employee.

Such monthly contributions shall constitute the sole and complete obligation of each Employer during the term of this collective bargaining agreement and no additional monies of any kind whatsoever shall be payable or required. It is understood and agreed however, that if any additional increases in Employer contributions are assessed by the Trustees in addition to those set forth above, they will be deducted from employee's hourly rates of pay. The Trustees are directed to give each Employer a sixty (60) day advance written notice of any such increase.

H. Additional Employers - The Trustees are authorized to interpret and apply the provisions of this Article in such a manner that additional employers may make the contributions required hereunder, and their employees may receive the coverages provided hereunder to the extent that such employees and employers are permitted to participate under the amendment to the existing Trust dated February 14, 1958, provided that such participation shall not be detrimental to the present participants or the Trust, and provided further, that to the extent that reserves have been accumulated, the rate of contributions for the benefits provided to such added participants shall be adjusted accordingly.

I. Acceptance of Trust - The parties hereby accept the terms of the existing Trust and the amendments to that Trust required to accomplish the provisions of this collective bargaining agreement and by this acceptance agree to and become parties to said Trust. Any amendments which from time to time may be made thereto, including the creation of supplementary Trusts to handle any of the funds referred to in this Agreement, are hereby incorporated by reference and made a part of this Agreement. The parties hereby designate the existing Trustees as Trustees under the Trust Agreement.

J. The Employer agrees to pay to the Trustees the contributions provided for herein for each regular, full-time employee on or before the twentieth day of each month during the term of this Agreement.

In the event that any legal action or proceeding against the Employer is necessary to enforce the payment of any contributions hereunder, the Trustees shall be entitled to recover from such Employer all costs incurred in connection therewith, together with all reasonable attorney's fees necessarily incurred in connection therewith.

The parties recognize and acknowledge that the regular and prompt filing of accurate employer reports and the regular and prompt payment of correct employer contributions to the Fund is essential to the maintenance and effect of the health-and-welfare plan and that it would be extremely difficult, if not impossible, to fix the actual expense and damage to the Fund and to the health-and-welfare plan which would result from the failure of an individual employer to make such accurate reports and to pay such accurate monthly contributions in full within the time specified by the Board of Trustees. Therefore, the amount of damage to the Fund and health-and-welfare plan resulting from failure to file accurate reports or pay accurate contributions within the time specified shall be presumed to be the sum of $15.00 or 10% of the amount of the contribution or contributions due, whichever is greater, for each inaccurate or delinquent report or contribution. These amounts shall become due and payable to the Fund as liquidated damages and not as a penalty upon the day immediately following the date on which the report or the contribution or contributions become delinquent. Liquidated damages shall be paid for each delinquent or inaccurate report or contribution and shall be paid in addition to any contributions due. The imposition of the liquidated damages described above shall require affirmative action of the Trustees following examination of periodic delinquency reports from the Administrator.

K. Coordination of Benefits - The Trustees are authorized to continue the coordination of benefits program in the Teamsters and Food Employers Security Trust Fund in accordance with the following:

1. If an eligible dependent is also covered under another noncontributory group plan or a contributory group plan which provides for coordination of benefits, the following prime carrier rules will determine the payments to be made by this Fund:

   (a) The plan covering the patient as an employee pays before this Plan.

   (b) The plan covering the patient as a dependent of a male person pays before the plan covering a patient as a dependent of a female person.

(c) Where the order of payment cannot be determined in accordance with the above rules, the first plan to make payment will be the one which has covered the eligible dependent for the longer period of time.

2. Should a dependent be covered by this Plan, and in a similar plan which does not have non-duplication of benefit provisions, this Plan will pay after the other plan.

3. If this Plan is the first plan to pay benefits under the above rules, the benefits shall be determined exactly as though duplicate coverage did not exist. If this Plan pays benefits after the other plan, the patient will be reimbursed for all allowable expenses not covered by the other plan, but not to exceed the amount that this Plan would pay in the absence of these non-duplication of benefit rules. (An allowable expense means any necessary, reasonable, and customary item of expense, at least a portion of which is covered under one of the plans covering the person for whom claim is made.)

ARTICLE XXVI PENSION

A. The Employers shall pay into the Western Conference of Teamsters Pension Trust Fund, for the account of each employee working under this Agreement, a monthly sum computed as follows:

One dollar and five cents ($1.05) per hour worked or paid for up to a maximum of one hundred and seventy-three (173) hours per month ($181.65) effective for hours worked or paid for on or after January 1, 1986 or the equivalent reporting period.

(Each Employer's current pension payment practices shall continue for any payment periods between September 9, 1985 to and including December 31, 1985 without liability or claim that any such practices are in conflict with the labor agreement.)

B. Effective with hours worked or paid for in August, 1988, payable in September, 1988 the Employers shall increase the current pension contribution to the Western Conference of Teamsters Pension Trust Fund by ten cents (10¢) per hour, from $1.05 to $1.15 per hour and the monthly maximum from $181.65 to $198.95 per month.

C. It is agreed that Employers' contributions to the Trust Fund on behalf of the employees in the bargaining unit, must qualify and conform, presently and in the future, in all respects to Section 404 of the Internal Revenue Code and the Labor Management Relations Act of 1947 as amended.

D. The total amount due for each calendar month shall be remitted in a lump sum not later than the 20th day of the following month. The Employer agrees to abide by such rules as may be established by the Trustees of said Trust Fund to facilitate the prompt and orderly collection of such amounts, and the accurate reporting and recording of such amounts paid on account of the employees. Failure to make the payments herein provided, within the time specified, shall be a breach of this Agreement.

ARTICLE XXVII PICKETING

A. It shall not be a violation of this Agreement nor cause for discharge or disciplinary action for any employee to refuse to cross a legitimate, bona fide, primary picket line sanctioned by the Joint Council of Teamsters No. 42.

B. A picket line wherein the Union involved is not affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America and has not been established or recognized as the bargaining representative or offered proof of majority representation of the employees involved, or where there is no strike against nor lockout by the employer being picketed, shall not be considered "bona fide" for the purpose of this Article.

C. The parties hereto intend that the operation of this clause shall not include picket lines placed on any of the Employers' operations that are directed against financially affiliated companies which are not operationally related to the Employer covered by this Agreement.

ARTICLE XXVIII BOYCOTTING

A. It shall not be a violation of this Agreement nor cause for discharge for any employee to refuse to handle any merchandise that has been placed on the "We Do Not Patronize List" by the Joint Council of Teamsters No. 42. This shall not apply to merchandise that is on hand, in transit, or that has been purchased at the time that said merchandise is placed on the "We Do Not Patronize List," as long as such merchandise in transit is carried by a firm or individual who is not on the "We Do Not Patronize List" of the Joint Council of Teamsters No. 42.

B. The Union may require proof that such merchandise has been purchased prior to the date that such merchandise was placed on the "We Do Not Patronize List." Such purchased merchandise, in order to be exempt, must be placed in transit, as described above, within seven (7) days from the date that such merchandise is placed on the "We Do Not Patronize List."

ARTICLE XXIX NEW LOCATIONS

In the event the Employer opens new branches or locations of the type covered by this Agreement, or moves the location of his present operation covered by this Agreement, to a location within the geographical jurisdiction of Joint Council of Teamsters No. 42 (including Teamsters Local No. 87), present employees shall have preference for vacancies at such locations in accordance with seniority and qualifications. Such assignments shall be subject to Employer's work force requirements at both the old and new locations. Subject to the above, qualified employees with seniority rights who have been laid off or would be laid off because of such new locations shall have preference for employment before any new employees are hired.

ARTICLE XXX JURISDICTIONAL DISPUTES

The Union agrees that it will not initiate jurisdictional disputes of any nature whatsoever on or about the premises of any of the Employer's places of business. If there should be any encroachment by any other union, upon the established jurisdiction of the signatory Union or any affiliate of the Joint Council of Teamsters No. 42, the signatory Union may, upon written approval of Joint Council of Teamsters No. 42, or its successor or assigns, take defensive action of a lawful nature.

ARTICLE XXXI SEPARABILITY CLAUSE

A. The provisions of this Agreement are deemed to be separable to the extent that if and when, by a final judgment, a Court or Government Agency of competent jurisdiction adjudges any provision of this Agreement to be in conflict with any law, rule or regulation issued thereunder, such decision shall not affect the validity of the remaining provisions of this Agreement, but such remaining provisions shall continue in full force and effect.

B. It is further provided that in the event any provision, or provisions, are so declared to be in conflict with such law, rule, or regulation, both parties shall meet within thirty (30) days for the purpose of renegotiating the provision or provisions so invalidated.

ARTICLE XXXII TERM OF AGREEMENT

A. This Agreement shall be in effect as of December 30, 1985 and shall remain in full force and effect to and including September 11, 1988, and shall continue from year to year thereafter unless cancelled by either the Employer or the Union by written notice given to the other party sixty (60) days prior to the expiration date.

B. Sixty (60) days prior to the above-referenced expiration date or any subsequent annual anniversary date, either party may notify the other party of its desire to modify or terminate the existing Agreement.

C. This Agreement shall be closed for the period specified above and may not be reopened.

SIGNED THIS .....DAY OF.....19.....

FOR THE EMPLOYERS:

FOOD EMPLOYERS COUNCIL, INC.

By_____

_____

FOR THE UNIONS:

TEAMSTERS UNION LOCALS 63, 542, 572, 630, & 952

By_____
J. L. Vercruse, Chairman, Union Negotiating Committee
for and on behalf of the above Locals

FOOD INDUSTRY WAREHOUSE AGREEMENT

EXHIBIT "A"

CURRENT EMPLOYEES ON THE PAYROLL OF THE EMPLOYER
AS OF OCTOBER 31, 1985

CLASSIFICATION	RATES PER HOUR EFFECTIVE 12/26/85	3/7/88
CLASS I		
Working Foreman (Working Foreman is defined as an employee who is assigned by the Employer for the direction and supervision of a working crew, the major portion of his time. A Working Foreman may not hire, terminate or issue warning notices to an employee.)	$14.115	$14.515
CLASS II		
a) Stacker Machine Operator	$13.915	$14.315
b) Certain employees who are working on jobs of superior responsibility and importance among those listed below: (To establish any person in such superior job it will be necessary for the Union to consult with the Employer and should an amicable solution not be arrived at, the arbitration procedure as outlined in Article XXI - Grievance and Arbitration Procedure may be invoked.)		
CLASS III		
Checker-Loader	$13.875	$14.275
CLASS IV		
Shipping Clerks, Receiving Clerks, Checkers, Jack Man, Train Man (including Turret, Jeep and other similar type machine operators), and any other employee performing work of a similar nature	$13.845	$14.245

EXHIBIT "A" CONTINUED

CURRENT EMPLOYEES ON THE PAYROLL OF THE EMPLOYER AS OF OCTOBER 31, 1985

CLASSIFICATION	RATES PER HOUR EFFECTIVE 12/26/85	3/7/88
CLASS V Warehouse Labor, Loaders, and Unloaders, Order Man, Clean-up Man, Combination Warehouse, and Stamping Dept. (Employees [Heavy Duty] with over three months' experience, and Extra Employees with over three months experience)	$13.795	$14.195
CLASS VI Markers and Stamping Dept. Employees (Light Duty) with over three months' experience	$13.545	$13.945

For employees hired on or after November 8, 1982, but prior to December 26, 1985, the new hire break-in rate shall be established at $1.50 below the appropriate contract rate for the first ninety (90) days of employment and at 75¢ below the appropriate contract rate for the second ninety (90) days of employment.

FOOD INDUSTRY WAREHOUSE AGREEMENT

EXHIBIT "B"

EMPLOYEES HIRED ON OR AFTER DECEMBER 26, 1985

CLASSIFICATION	RATES PER HOUR EFFECTIVE 12/26/85	3/7/88
CLASS I		
Working Foreman (Working Foreman is defined as an employee who is assigned by the Employer for the direction and supervision of a working crew, the major portion of his time. A Working Foreman may not hire, terminate or issue warning notices to an employee.)		
Thereafter	$14.115	$14.515
3rd 2080 st-time hrs (90%)	12.70	13.06
2nd 2080 st-time hrs (80%)	11.29	11.61
1st 2080 st-time hrs (70%)	9.88	10.16
CLASS II		
a) Stacker Machine Operator		
Thereafter	$13.915	$14.315
3rd 2080 st-time hrs (90%)	12.52	12.88
2nd 2080 st-time hrs (80%)	11.13	11.45
1st 2080 st-time hrs (70%)	9.74	10.02
b) Certain employees who are working on jobs of superior responsibility and importance among those listed below: (To establish any person in such superior job it will be necessary for the Union to consult with the Employer and should an amicable solution not be arrived at, the arbitration procedure as outlined in Article XXI - Grievance and Arbitration Procedure may be invoked.)		
Thereafter	$13.915	$14.315
3rd 2080 st-time hrs (90%)	12.52	12.88
2nd 2080 st-time hrs (80%)	11.13	11.45
1st 2080 st-time hrs (70%)	9.74	10.02

EXHIBIT "B" CONTINUED

EMPLOYEES HIRED ON OR AFTER DECEMBER 26, 1985

CLASSIFICATION	RATES PER HOUR EFFECTIVE 12/26/85	3/7/88
CLASS III		
Checker-Loader		
Thereafter	$13.875	$14.275
3rd 2080 st-time hrs (90%)	12.49	12.85
2nd 2080 st-time hrs (80%)	11.10	11.42
1st 2080 st-time hrs (70%)	9.71	9.99
CLASS IV		
Shipping Clerks, Receiving Clerks, Checkers, Jack Man, Train Man (including Turret, Jeep and other similar type machine operators), and any other employee performing work of a similar nature		
Thereafter	$13.845	$14.245
3rd 2080 st-time hrs (90%)	12.46	12.82
2nd 2080 st-time hrs (80%)	11.08	11.40
1st 2080 st-time hrs (70%)	9.69	9.97
CLASS V		
Warehouse Labor, Loaders, and Unloaders, Order Man, Clean-up Man, Combination Warehouse, and Stamping Dept. (Employees [Heavy Duty] with over three months' experience, and Extra Employees with over three months experience)		
Thereafter	$13.795	$14.195
3rd 2080 st-time hrs (90%)	12.415	12.775
2nd 2080 st-time hrs (80%)	11.04	11.36
1st 2080 st-time hrs (70%)	9.66	9.94
CLASS VI		
Markers and Stamping Dept. Employees (Light Duty) with over three months' experience		
Thereafter	$13.545	$13.945
3rd 2080 st-time hrs (90%)	12.19	12.55
2nd 2080 st-time hrs (80%)	10.84	11.16
1st 2080 st-time hrs (70%)	9.48	9.76

FOOD INDUSTRY WAREHOUSE AGREEMENT

EXHIBIT "C"

LIST OF COMPANY LOCATIONS AND LOCAL UNIONS

ATTACHMENT FOR ARTICLES I AND II

COMPANY AND LOCATION	LOCAL UNION
ALBERTSON'S, INC.	
200 N. Puente St., Brea, CA 92621	952
ALPHA BETA COMPANY	
777 S. Harbor Blvd., La Habra, CA 90631	952
THE BOY'S MARKET, INC.	
2040 E. 27th St., Vernon, CA 90058	630
5510 Grace Pl, Commerce, CA 90022	630
CERTIFIED GROCERS OF CALIFORNIA, LTD.	
2601 S. Eastern Ave, Los Angeles, CA 90040	630
13571 Vaughn St, San Fernando, CA 91340	630
GROCERS SPECIALITY COMPANY	
2601 S. Eastern Ave, Los Angeles, CA 90040	630
HUGHES MARKETS, INC.	
3550 TyBurn St., Los Angeles, CA 90065	630
RALPHS GROCERY COMPANY	
1915 E. Manville St., Compton, CA 90220	572
2345 Tubeway, City of Commerce, CA 90040	630
4841 San Fernando Rd West, Los Angeles, CA 90039	630
6101 E. PeachTree St., City of Commerce, CA 90040	630
5548 Lindbergh Lane, Bell, CA 90201	630
12500 E. Slauson Ave, Santa Fe Springs, CA 90670	630
SAFEWAY STORES, INC.	
1022 W. 24th St, National City, CA 92050	542
12801 Excelsior Dr, Santa Fe Springs, CA 90670	630
STATER BROS. MARKETS	
21700 Barton Rd, Colton, CA 92324	63
375 DeBerry Street, Colton, CA 92324	63
VONS GROCERY COMPANY	
10150 Lower Azusa Rd, El Monte, CA 91731	630

Bureau of Labor Statistics
Collective Bargaining Studies

U.S. Department of Labor

006302

APRIL 30, 1987

This report is authorized by law 29 U.S.C. 2. Your voluntary cooperation is needed to make the results of this survey comprehensive, accurate, and timely.

Form Approved
O.M.B. No. 1220-0001
Approval Expires 7/31/87

(2)

JUN 3 1987-R

RESEARCH ANALYST
FOOD EMPLOYERS COUNCIL INC
Post Office Box 4857
Carson , CA. 90740

PREVIOUS AGREEMENT EXPIRED
SEPTEMBER 07, 1985

Respondent:

We have in our file of collective bargaining agreements a copy of your agreement(s):

Food Emplrs Cncl Inc Food Indus Wareh Agmt Calif 6 LU WITH TEAMSTERS CALIFORNIA

Would you please send us a copy of your current agreement—with any supplements (e.g., employee-benefit plans) and wage schedules—negotiated to replace or to supplement the expired agreement. If your old agreement has been continued without change or if it is to remain in force until negotiations are concluded, a notation to this effect on this letter will be appreciated.

I should like to remind you that our agreement file is open for your use, except for material submitted with a restriction on public inspection. You may return this form and your agreement in the enclosed envelope which requires no postage.

Sincerely yours,

Janet L. Norwood

JANET L. NORWOOD
Commissioner

PLEASE RETURN THIS LETTER WITH YOUR RESPONSE OR AGREEMENT(S).

If more than one agreement, use back of form for each document. (Please Print)

1. Approximate number of employees involved _____

2. Number and location of establishments covered by agreement _____

3. Product, service, or type of business _____

4. If your agreement has been extended, indicate new expiration date _____

Your Name and Position

Area Code/Telephone Number

Address

City/State/ZIP Code

BLS 2452 (Rev. August 1984)